



Committee of the Whole Report For the Meeting of October 6, 2022

To: Committee of the Whole **Date:** September 22, 2022

From: Karen Hoese, Director, Sustainable Planning and Community Development

Subject: **Rezoning Application No. 00815 for 710 Caledonia Avenue and 1961 Douglas Street and associated Official Community Plan Amendment and Development Permit with Variances Application No. 00205**

RECOMMENDATION

Rezoning Application

1. That subject to receipt of a letter from the Ministry of Environment confirming that the landowner has met the requirements of Section 557(2) of the *Local Government Act* with respect to contaminated sites, that Council instruct staff to prepare the necessary Official Community Plan (OCP) Amendment Bylaw in accordance with Section 475 of the *Local Government Act* and the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 000815 for 710 Caledonia Avenue and 1961 Douglas Street, that first and second reading of the Zoning Regulation Bylaw Amendment and OCP Amendment Bylaw be considered by Council.
2. That Council provide an opportunity for consultation pursuant to section 475 of the *Local Government Act*, and direct the Director of Sustainable Planning and Community Development to:
 - a. mail a notice of the proposed OCP Amendment to the persons within a 200m radius of the subject property; and
 - b. post a notice on the City's website inviting affected persons, organizations and authorities to ask questions of staff and provide written or verbal comments to Council for their consideration.
3. That Council consider that no consultation is necessary with the Capital Regional District Board; Councils of Oak Bay, Esquimalt and Saanich; the Songhees and Esquimalt First Nations; the School District Board; or the provincial or federal governments or their agencies because the proposed OCP amendment does not affect them.
4. The applicant prepare and execute legal agreements to secure the following with the form and contents to the satisfaction of the Director of Sustainable Planning and Community Development, Director of Engineering and Public Works, and the City Solicitor prior to final adoption of the bylaws:

- a. all dwelling units in Building A would remain affordable or below-market rental for 60 years, or the life of the building, whichever is greater
- b. all dwelling units in Building A are to be owned by a non-profit or government agency for 60 years, or the life of the building, whichever is greater, to guarantee that the development will continue to provide non-market housing
- c. all dwelling units in Building C are to be rental in perpetuity
- d. future strata corporations cannot pass bylaws that would prohibit or restrict the rental of units to non-owners
- e. a minimum of 30 accessible dwelling units in Building A to be constructed in accordance with CAN/CSA-B651-95, the National Standard of Canada for barrier-free design
- f. provide civil design drawings and construct a mid-block crosswalk on Discovery Street which could include bulb outs, lighting, enhanced street furnishings and landscaping, and coordinate with the mid-block crosswalk requirements associated with the adjacent development proposal on the properties located 722 and 726 Discovery Street
- g. provide civil design drawings and construct a full signal at the intersection of Douglas Street and Discovery Street in accordance with the recommendation in the Traffic Impact Assessment prepared by Bunt & Associates dated March 30, 2022
- h. provide civil design drawings and construct a centre median at the proposed western Caledonia Avenue driveway crossing and a grade-raised bicycle lane on the north side of Caledonia Avenue
- i. restrict movements on the proposed eastern driveway crossing on Caledonia Avenue to access (northbound) vehicles only
- j. the design and relocation of the mid-block crosswalk and associated works on Caledonia Avenue
- k. the design and construction of a new BC Transit bus stop on Douglas Street to the satisfaction of the Director of Engineering and Public Work and BC Transit
- l. the design, supply and installation of the City's *Downtown Public Realm Plan and Streetscape Standards* (DPRP), specifically, the 'Douglas Street' District (for the Douglas Street frontage) and 'New Town' District (for the Caledonia Avenue and Discovery Street frontages), and shall include but not limited to:
 - i. corner treatments at Douglas Street/Caledonia Avenue and Douglas Street/Discovery Street intersections
 - ii. benches, trash bins and bike racks
 - iii. specify medium to large canopy street trees and 5m setbacks from underground parkades or adequate soil volumes in soil cells
- m. provide the following Transportation Demand Management measures:
 - i. two fully electric car share vehicles to be located on site in dedicated parking spaces, each equipped with Level 2 electric vehicle charging stations
 - ii. a car share membership for each dwelling unit
 - iii. a minimum of 10% of the required bicycle parking being suitable for cargo bicycles or bicycles used by persons with disabilities
 - iv. a minimum 55m² bicycle repair area and associated repair equipment
 - v. end-of-trip facilities including lockers, showers, and wash stations

- n. secure the commitment to attenuate sewer
 - o. undergrounding the BC Hydro lines and associated infrastructure along Douglas Street, Discovery Street and Caledonia Avenue frontages and that the applicant cover the City's portion of the cost under BC Hydro's Beautification Program, minimizing impacts to existing tree and new municipal tree planting locations
 - p. provide a computerized lighting calculation, completed by a professional electrical consultant registered with the Association of Professional Engineers and Geoscientists of BC (and a person with experience using the software) in accordance with IESNA RP-8-00 roadway lighting standards, to indicate required street lighting for the Douglas Street frontage and the intersections at Discovery Street and at Caledonia Avenue
 - q. secure stormwater treatment via soil cells for road run off along Douglas Street, Discovery Street and Caledonia Avenue frontages
 - r. secure an air space parcel subdivision plan, in compliance with the Highway Access Bylaw (91-38) and ensure that the site is not occupied until the air space parcel subdivision is registered on title.
5. That Council authorize the projecting encroachments over the City Right-of-Way on 710 Caledonia Avenue and 1961 Douglas Street generally as shown on the plans submitted to the City and date stamped July 26, 2022, provided that the applicant enters into an encroachment agreement with form and contents satisfactory to the Director of Engineering and Public Works and the City Solicitor.
6. The applicant provides the following items prior to Public Hearing:
- a. the applicant either expand the size of the proposed end-of-trip facility or add another facility to support TDM to the satisfaction of the Director of Sustainable Planning and Community Development and Director of Engineering and Public Works
 - b. a revised site plan and landscape plan that complies with the City's *Downtown Public Realm Plan and Streetscape Standards* (DPRP), specifically, the 'Douglas Street' District (for the Douglas Street frontage) and 'New Town' District (for the Caledonia Avenue and Discovery Street frontages), to the satisfaction of the Director of Engineering and Public Works and Director of Parks, Recreation and Facilities
 - c. an air space parcel subdivision plan in compliance with the Highway Access Bylaw (91-38) to the satisfaction of the City Solicitor
 - d. inclusion of a seating nook on the edge of the plaza area adjacent to the transit shelter on Douglas Street to ensure there is sufficient seating for transit patrons and extend concrete unit pavers into the plaza as a surface material treatment for the lower plaza area, and revise the site plan and landscape plan accordingly to the satisfaction of the Director of Sustainable Planning and Community Development and Director of Engineering and Public Works
 - e. update the Landscape Plans, Arborist Report, and Tree Management Plan to the satisfaction of the Director of Parks, Recreation and Facilities
 - f. work with staff to increase soil volumes for new municipal trees and trees in the plaza to ensure long-term viability is achieved to the satisfaction of Director of Parks, Recreation and Facilities
 - g. update site plan and landscape plan to provide further offset between the proposed trees in the plaza and the underground parkade, at minimum 5m between the

underground parkade and trees in the boulevard; provide clearance between the trees and proposed building projections; and provide adequate soil volumes for large to medium canopy trees

- h. work with staff to increase soil volumes for new municipal trees and trees in the plaza to ensure long-term viability is achieved to the satisfaction of Director of Parks, Recreation and Facilities.

Development Permit with Variance Application

1. That subject to the applicant revising the site plan and landscape plan to comply with the *Tree Protection Bylaw* and the City's *Downtown Public Realm Plan*, that Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, and after the Public Hearing for Rezoning Application No. 00815, if it is approved, consider the following motion:
 1. That Council authorize the issuance of Development Permit with Variances Application No. 00205 for 710 Caledonia Avenue and 1961 Douglas Street, in accordance with:
 - a. Plans date stamped July 26, 2022
 - b. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variances:
 - increase the maximum building height of Building A from 45m to 55m
 - increase the maximum building height of Building B from 45m to 72m
 - increase the maximum building height of Building C from 45m to 65m
 - reduce the required number of residential parking spaces from 297 to 226
 - reduce the required number of visitor parking spaces from 45 to 30.
 2. That the Development Permit, if issued, lapses in two years from the date of this resolution.

LEGISLATIVE AUTHORITY

This report discusses a Rezoning Application and a concurrent Development Permit with Variances (DPV) Application. Relevant rezoning considerations include the proposal to increase the density and add multi-unit residential, office, retail and childcare facility as new uses while the relevant DPV considerations relate to the application's consistency with design guidelines and the impact of variances.

Enabling Legislation

In accordance with Section 479 of the *Local Government Act*, Council may regulate within a zone the use of land, buildings and other structures, the density of the use of the land, building and other structures, the siting, size and dimensions of buildings and other structures as well as the uses that are permitted on the land and the location of uses on the land and within buildings and other structures.

In accordance with Section 482 of the *Local Government Act*, a zoning bylaw may establish different density regulations for a zone, one generally applicable for the zone and the others to apply if certain conditions are met.

In accordance with Section 483 of the *Local Government Act*, Council may enter into a Housing Agreement which may include terms agreed to by the owner regarding the occupancy of the housing units and provided such agreement does not vary the use of the density of the land from that permitted under the zoning bylaw.

In accordance with Section 489 of the *Local Government Act*, Council may issue a Development Permit in accordance with the applicable guidelines specified in the *Official Community Plan*. A Development Permit may vary or supplement the Zoning Bylaw but may not vary the use or density of the land from that specified in the Bylaw.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Rezoning Application and Development Permit with Variances application for the property located at 710 Caledonia Avenue and 1961 Douglas Street. The proposal is to rezone from the C-1 Zone, Limited Commercial District, and T-1 Zone, Limited Transient Accommodation District, to a new zone in order to increase the density and allow for a mixed-use development consisting of three residential towers ranging in heights from 16 to 21 storeys above a commercial podium. An amendment to the *Official Community Plan* (OCP) is required to facilitate this development. There is a concurrent Development Permit with Variances Application pertaining to the proposed form, character, exterior design, finishes and landscaping. The variances are related to height and parking.

The following points were considered in assessing the Rezoning Application:

- The subject properties are designated Core Employment in the OCP which supports residential mixed-use, work/live, and commercial uses, including office, hotels and other visitor accommodation, located between Douglas Street and Blanshard Street. The proposal is consistent with the uses envisioned in Core Employment.
- The OCP supports building heights up to 15 storeys and a base density of 3:1 FSR up to a maximum of 5:1 FSR, of which the residential density does not exceed 3:1 FSR. The proposal is inconsistent with the height and density policies in the OCP, which is triggering an OCP amendment.
- The *Downtown Core Area Plan* (DCAP, 2012) identifies the subject properties within the Rock Bay District, which supports high density residential and commercial development within the Douglas Street/Blanshard Street Corridor. Building heights up to 60m (approximately 20 storeys) and a base density of 3:1 FSR up to a maximum of 5:1 FSR, of which the residential density does not exceed 3:1 FSR, are supported in the Plan. The proposal is inconsistent with the height and density policies in the Plan.
- DCAP envisions a large urban plaza on the site that is generally 800m² to 1200m² in size to provide formal open space within the north end of Downtown along Douglas Street. The proposal includes an approximately 802m² south-facing plaza on the corner of Douglas Street and Caledonia Avenue with a variety of outdoor seating, a water feature, soft landscaping, trees and children's play features.
- The proposal includes approximately 451 dwelling units, including approximately 133 dwelling units of non-market rental housing and approximately 171 dwelling units of purpose-built market rental all to be secured in a Housing Agreement, which further advances several housing policies and objectives in the OCP.

- Each tower contains a mix of unit types, including studios, one-bedroom, two-bedroom and three-bedroom dwelling units. The larger size dwelling units (two- and three-bedroom units), which are suitable for households with children, account for more than one-third of the units in each tower. The larger size dwelling units would be secured in a legal agreement.
- Approximately twenty-three percent (23%) of the dwelling units in the non-market housing building are designed to be accessible. The accessible dwelling units would be secured in a legal agreement.
- A purpose-built childcare facility with a secure outdoor play area for up to approximately 37 children will be located on the third floor of Building C. The applicant is willing to secure the childcare facility in the building for a minimum of ten years in a legal agreement.
- The applicant will construct a new full-signal intersection at Discovery and Douglas streets and a centre median at the proposed western Caledonia Avenue driveway crossing to restrict vehicle movement. A grade-raised protected bicycle lane on the north side of Caledonia Avenue, the relocation of the mid-block crosswalk on Caledonia Avenue, the installation of a new mid-block crosswalk on Discovery Street and a new transit shelter on Douglas Street are also proposed. All public realm improvements would be secured in a legal agreement.
- The applicant engaged Mulholland Parker Land Economists Ltd., (formerly known as Rollo & Associates) to prepare a land lift analysis (attached) in accordance with the City's *Inclusionary Housing and Community Amenity Policy*. The analysis concluded that there is no lift, even with the additional density. In fact, the modelling confirms that the land value will fall below the value from BC Assessment and the proforma value of the land. The consultant recommends that the City seek no further amenities from this project beyond those which are currently proposed.

The following points were considered in assessing the Development Permit with Variances Application:

- The OCP identifies the subject properties within Development Permit Area (DPA) 7A: Corridors, which envisions the revitalization of the commercial uses along Douglas Street with high quality architecture, landscape and urban design to enhance its appearance, achieve coherent design, strengthen commercial viability and encourage pedestrian use. The proposal is consistent with this policy direction and applicable design guidelines
- This DPA identifies Douglas Street as a significant transportation corridor with rapid transit, to be designed as a "complete street" that serves all transportation modes (pedestrians, cyclists, public transit passengers and vehicles, commercial vehicles and automobiles). This proposal further advances the objectives of this DPA by revitalizing this prominent corner site on the edge of the Central Business District with high-quality architecture, public realm and placemaking features
- The design guidelines embedded in DCAP recommend locating tall buildings in a manner that generally achieve a staggered formation within a block and respond to adjacent tall buildings on neighbouring blocks to achieve desired building separation, sunlight access and sky-view as well as to mitigate wind. The proposal is generally consistent with the design guidelines pertaining to the siting of the three towers
- The proposed building towers would be 16, 20 and 21 storeys in height. The OCP supports buildings up to 15 storeys (approx. 45m) whereas DCAP supports a maximum height of up to 20 storeys (approx. 60m) at this location. Given the policy direction, the

proposed heights will be treated as variances. As the tower heights fit with the neighbourhood context (tower heights range between 16 and 25 storeys south of the subject site) and the proposal complies with the tower separation guidelines and closely meets the maximum floor plate size for tall buildings in DCAP, the proposed height variance is considered supportable

- The application proposes to reduce the required number of residential parking spaces from 297 to 226 and the visitor parking spaces from 45 to 30. The proposal exceeds the required number of commercial parking spaces. The parking variances are supportable given the proposed Transportation Demand Management programs which will help to offset the anticipated shortfall in parking. The proposed TDM programs include a car share program (two fully electric car share vehicles, car share parking spaces and car share memberships), cargo bicycle parking spaces, bicycle repair area and end-of-trip facilities, all to be secured in a legal agreement.

BACKGROUND

Description of Proposal

This proposal is to rezone from the properties located at 710 Caledonia Avenue and 1961 Douglas Street from the C-1 Zone, Limited Commercial District, and T-1 Zone, Limited Transient Accommodation District, to a new zone in order to increase the density and allow for a mixed-use development consisting of three residential towers ranging in heights from 16 to 21 storeys above a commercial podium. The proposed uses include multi-unit residential, a childcare facility, grocery store, office and retail.

The following differences from the C-1 and T-1 Zones are being proposed and would be accommodated in the new zone:

- permit multi-unit residential uses
- increase the density from 1.2:1 FSR (T-1 Zone) and 1.4:1 FSR (C-1 Zone) to 6.79:1 FSR
- increase the maximum height from 12m (C-1 Zone) and 21.5m (T-1 Zone) to approximately 72m
- reduce the setbacks from the street from 6m and 2.40m to nil
- reduce the rear yard setback from 36m to nil.

The request to amend the *Official Community Plan, 2012* (OCP) is necessary in order to increase the height and density beyond that envisaged in the Core Employment Urban Place Designation.

The associated Development Permit with Variances Application is for a mixed-use building and associated landscaping. Specific details include:

Architectural

- a three-storey podium fronting Douglas and Discovery Street and a four-storey podium on Caledonia Street (podium height is approximately 18m)
- the podium covers the majority of the site with a public plaza situated on the southwest corner
- exterior materials include light and dark brick, metal panels, composite wood panels, grey glass, architectural concrete, and glulam (glued laminated timber) and steel canopies
- the podium is clad in brick and the towers are clad in powder-coated angled metal panels that alternate directions (every third floor the angled panel changes direction)
- a glass elevator, lit at night, as a focal point in the plaza

- frosted glass canopies above the retail units
- large canopies above the recessed residential entryways on Caledonia, Douglas and Discovery streets.

Indoor and Outdoor Space and Landscaping

- balconies for dwelling units on the south and west elevations for Building A (below-market rental housing) and for all dwelling units in Buildings B (purpose-built market rental) and C (market condominiums)
- an approximately 802m² public plaza space consisting of terraced seating, tables and chairs, lighting, children's play features, water feature, trees and soft landscaping
- outdoor patio seating for a restaurant on the upper plaza
- an amenity roof deck on level four (lower podium) of Building A, including amenities such as a walking path, outdoor furniture, soft landscaping and some tree planting
- amenity roof decks on level four (lower podium) and level five of Building B, including amenities such as BBQ space, outdoor seating, outdoor stretching and yoga area, children's play area, dog areas, tree planting and garden planters
- amenity roof decks on level four (lower podium) and level 21 of Building C, including amenities such as a BBQ area, harvest table, outdoor seating, outdoor fire pit with seats, children's play area, tree planting and raised garden beds
- an outdoor play area for the daycare would be located on a roof deck facing Douglas Street
- all residential towers have indoor amenity space for residents.

Siting, Access and Setbacks

- a podium located at the property boundaries (zero lot line)
- three residential towers with a separation distance of 20m
- a tower setback of 10m from the east property line
- tower setbacks of 3m and greater from the property lines (i.e. from the streetwall)
- Building A has a north-south orientation and Buildings B and C have east-west orientation
- access to underground parkades on Caledonia and Discovery streets and a service driveway and loading area for delivery trucks along the east side of site (enter on Caledonia Street and exit onto Discovery Street)
- three levels of underground parking
- seven Class B and one Class C loading spaces for large delivery trucks.

The proposed variances are related to:

- increasing the maximum building heights from 45m to 55m for Building A, 72m for Building B and 65m for Building C
- reducing the required number of residential parking spaces from 297 to 226
- reducing the required number of visitor parking spaces from 45 to 30.

Land Use Context

The area is characterized by a mix of residential, commercial and light industrial uses.



Figure 1. Aerial photo of subject site

Existing Site Development and Development Potential

The property located at 710 Caledonia Avenue is presently occupied by a vacant commercial building and surface parking, and the existing building at 1961 Douglas Street is presently used as transient accommodation.

Under the current C-1 and T-1 Zones, the property could be developed as an approximately four-storey mixed-use building consisting of residential and commercial use and an approximately six-storey hotel.

Data Table

The following data table compares the proposal with the existing C-1 Zone, Limited Service District and T-1 Zone, Limited Transient Accommodation District. An asterisk is used to identify where the proposal is less stringent than the existing Zone. Additionally, key City policy that pertains to the area has been included in this table.

Zoning Criteria	Proposal	C-1 Zone	T-1 Zone	OCP Policy	DCAP
Site area (m ²) – minimum	6722.20	n/a	920		

Zoning Criteria	Proposal	C-1 Zone	T-1 Zone	OCP Policy	DCAP
Density (Floor Space Ratio) – maximum	6.79:1* (5.41:1 residential and 1.38:1 commercial)	1.40:1	1.60:1	5:1 (max residential density up to 3:1)	5:1 (max residential density up to 3:1)
Total floor area (m ²) – maximum	45,636.50*	9411.08	10,755.52		
Height (m) – maximum	72*	12	21.50	n/a	60
Storeys – maximum	Building A – 16 Building B – 21 Building C - 20	n/a	n/a	15	20
Site coverage (%) – maximum	85.40	n/a	30		
Open site space (%) – minimum	11.90	n/a	60		
Setbacks (m) – minimum					
Douglas Street (Front)	0* (podium) 4.60 (tower)	6	13.50		
Rear (E)	0* (podium) 10* (tower)	36	36		
Discovery Street	0* (podium) 3* (tower)	2.40	36		
Caledonia Street	0* (podium) 3* (tower)	2.40	36		
Vehicle parking – minimum	226* (residential) 163 (commercial)	297 (residential) 146 (commercial)			
Visitor vehicle parking - minimum	30*	45			
Bicycle parking stalls – minimum					
Long-term	600	579			
Short-term	80	80			

Active Transportation

The application proposes the following features which support active transportation:

- 600 long-term and 80 short-term bicycle parking spaces
- end-of-trip facilities including showers, change rooms and lockers
- a bike repair area
- a grade-raised protected bicycle lane on the north side of Caledonia Avenue
- a mid-block pedestrian crossing on Discovery Street.

Public Realm

The following public realm improvements are proposed in association with this application:

- a full signal at the intersection of Douglas Street and Discovery Street in accordance with the recommendation in the Traffic Impact Assessment prepared by Bunt & Associates dated March 30, 2022(attached)
- a centre median at the proposed western Caledonia Avenue driveway crossing
- a new mid-block crosswalk on Discovery Avenue
- a grade-raised bicycle lane on the north side of Caledonia Avenue
- undergrounding BC Hydro services along all street frontages (BC Hydro offers beautification grants where the cost of undergrounding services is split between BC Hydro, the City and the developer, however, the City currently has no funding allocated for these types of projects and, therefore, the developer is willing to pay for the City's share of the costs).

The improvements identified above would be secured with a legal agreement, registered on the property's title, prior to Council giving final consideration of the proposed Zoning Regulation Bylaw and Official Community Plan amendments.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications*, prior to submission of the application, it was posted on the Development Tracker along with an invitation to complete a comment form on January 21, 2022. Mailed notification was sent to owners and occupiers of property within 200m of the subject property advising that a consultation process was taking place and that information could be obtained and feedback provided through the Development Tracker. A sign was also posted on site, to notify those passing by of this consultative phase. Additionally, the applicant participated in a virtual community meeting with the CALUC on February 7, 2022. A letter from the CALUC dated February 11, 2022, along with the associated forms are attached to this report.

Nine responses were received in the pre-application process and the majority of responses (8 out of 9 responses) were in support of the proposal. However, the CALUC letter expressed concerns relating to the proposed residential density, podium height, building setback along Caledonia Avenue, building separation distances and floor plate sizes.

The associated application proposes variances, therefore, in accordance with the City's *Land Use Procedures Bylaw*, it requires notice, sign posting and a meeting of Council to consider the variances.

ANALYSIS

Official Community Plan (OCP) Amendment Application

The proposal includes a request to amend the OCP in order to increase the building height and density. It is recommended that Council consider the proposal supportable given the proposed amenities being delivered in this application, including below-market and purpose-built rental housing, a daycare for up to approximately 37 children and a large public plaza. The proposal is also further advancing some key economic development objectives in the OCP by proposing a large grocery store, office and retail uses.

OCP Consultation

The *Local Government Act* (LGA) Section 475 requires a Council to provide one or more opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected by an amendment to the OCP. Consistent with Section 475 of the LGA, Council must further consider whether consultation should be early and ongoing. This statutory obligation is in addition to the Public Hearing requirements. In this instance, staff recommend for Council's consideration that notifying owners and occupiers of land located within 200 metres of the subject site along with posting a notice on the City's website will provide adequate opportunities for consultation with those affected.

The OCP Amendment Application would include language under the description of Core Employment in the OCP that would allow for buildings up to 21 storeys and a density of up to 6.79:1 FSR, in which the residential density does not exceed 5.41:1 FSR at this location. Given that through the CALUC Community Meeting process all owners and occupiers within a 200m radius of the site were notified and invited to participate in a Community Meeting, the consultation proposed at this stage in the process is recommended as adequate and consultation with specific authorities, under Section 475 of the LGA, is not recommended as necessary.

Should Council support the OCP amendment, Council is required to consider consultation with the Capital Regional District Board; Councils of Oak Bay, Esquimalt and Saanich; the Songhees and Esquimalt First Nations; the School District Board and the provincial government and its agencies. However, further consultation is not recommended as necessary for this amendment to the Urban Place Designation as this matter can be considered under policies in the OCP.

Council is also required to consider OCP Amendments in relation to the City's *Financial Plan*, the *Capital Regional District Liquid Waste Management Plan* and the *Capital District Solid Waste Management Plan*. This proposal will have no impact on any of these plans.

Rezoning Application

Official Community Plan

The subject properties are designated Core Employment in the OCP which supports residential mixed-use, work/ live, and commercial, including office, hotels and other visitor accommodation, for the areas located between Douglas Street and Blanshard Street. The OCP supports building heights up to 15 storeys and a base density of 3:1 FSR up to a maximum of 5:1 FSR, of which the residential density does not exceed 3:1 FSR. The application proposes 16-storey, 20-storey and 21-storey towers and a density of approximately 6.79:1 FSR, in which the residential density is approximately 5.41:1 FSR.

The OCP identifies the Rock Bay neighbourhood as a key employment generator and reservoir of industrial and commercial land. The Plan encourages new growth along the Douglas Street Corridor and link land use changes to the planning and implementation of Rapid Transit. In addition, the OCP envisions the development of the Rock Bay District as an area of intensive employment, including the incubation and growth of advanced technology and green industry supported by green infrastructure, high performance building systems, district energy, industrial heritage retention and rapid transit service. The application includes a new transit stop along the Douglas Street frontage as well as a transit-oriented plaza to support rapid transit use. The applicant is proposing high performance building systems and meeting BC Energy Step Code 2 and 3 and LEED silver equivalency and/or certification to further advance sustainability objectives in the OCP.

This proposal is further advancing several OCP objectives related to housing, community well-being, transportation, employment, and food security, which justify the additional height and density being proposed in the application that is further discussed below.

Housing

The OCP strongly supports a range of housing types, forms, and tenures across the city and within neighbourhoods to meet the needs of residents at different life stages, and to facilitate aging in place. To increase housing affordability in the city, the OCP encourages new housing initiatives that partner other levels of government, agencies, and private industry to deliver housing in the community. The OCP also strongly encourages partnerships that address the need for affordable non-market and market housing suitable for households with children. For this proposal, BC Housing and the developer (Chard Development) have partnered to deliver a mix of housing types and tenures for the community, including affordable non-market and market rental housing along with larger two and three-bedroom dwelling units and other amenities (i.e. daycare and outdoor play areas) to attract households with children, which is further discussed below.

Daycare

In response to the OCP policies encouraging non-profit daycare space as an amenity in new residential, mixed-use and commercial development, the applicant is proposing to construct a purpose-built daycare with a secure outdoor play area for up to approximately 37 children on the third floor of Building C. The applicant is willing to secure in a legal agreement that a childcare facility will be provided in the building for a minimum of ten years.

Transportation

The OCP strongly encourages residential and employment growth in the Urban Core and employment areas along rapid and frequent transit corridors. The OCP also requires transit shelters as a condition of development along frequent transit corridors. The application is proposing to introduce 451 new dwelling units along the Douglas Street rapid transit corridor as well as a new transit shelter on Douglas Street in accordance with Victoria Regional Transit's requirements.

Caledonia Avenue is identified as a Shared Greenway in the OCP. Shared Greenways are designed for pedestrians, bicycles, other non-motorized rolling traffic and motor vehicles. Minimizing driveway access along Shared Greenways is encouraged in the OCP. To minimize impacts on pedestrians and cyclists, there would be vehicle movement restrictions along

Caledonia, and the construction of a new median and grade-raised protected bike lane on the north side of Caledonia Avenue.

Employment

The OCP supports and encourages new commercial development in the Urban Core, and economic activities that provide household sustaining jobs, and retain more wealth in the community. The applicant is proposing a large grocery store (approximately 2787m² in floor area), small scale retail and office space, which will introduce significant employment opportunities and enhance the neighbourhood vibrancy.

Environment

A goal of the OCP is that Victoria's urban environment, including urban forests, and public and private green spaces support healthy and diverse ecosystems. The Plan supports the integration of environmental considerations into planning design and development at all scales throughout the city and contains policies to address urban forest management. In addition, the Plan recommends that the urban forest is enhanced to support a wide range of ecological and community benefits and that environmental considerations are integrated into planning and design at a variety of scales. Further information is required to understand the long-term impacts on the urban forest with this proposal, which is further discussed below.

Food security

Urban gardening is strongly encouraged in mixed-use, multi-unit residential developments. The applicant is proposing to install garden plots on the rooftop amenity spaces for Buildings B and C to encourage urban gardening and food production on-site for residents.

Burnside Gorge Neighbourhood Plan

The subject properties are located in the Rock Bay area of the *Burnside Gorge Neighbourhood Plan*. However, given the proximity to the downtown core, the Plan refers to the *Downtown Core Area Plan* (DCAP) for land use policies related to use, height and density. DCAP identifies the subject properties within the Rock Bay District, which envisions the area as a key employment centre that attracts a range of commercial and light industrial businesses to provide a more diversified and resilient employment base. The Plan encourages high density residential and commercial development within the Douglas Street/Blanshard Street Corridor. Building heights up to 60m (approximately 20 storeys) and a base density of 3:1 FSR up to a maximum of 5:1 FSR, of which the residential density does not exceed 3:1 FSR is supported in the Plan. The proposal is inconsistent with the height and density policies in the Plan.

Inclusionary Housing and Community Amenity Contribution Policy

In accordance with the *Inclusionary Housing and Community Amenity Contribution Policy*, the applicant engaged Mulholland Parker Land Economists Ltd to prepare a land lift analysis (attached). The consultant examined the site as proposed, using a static approach where the developer builds and sells off all components upon completion as well as a model wherein only the strata components are sold, and all the rental is retained as income generating space for 60 years or in perpetuity. In all modeling scenarios, there were no cases where the supported land value exceeds the value from BC Assessment, or the supported proforma value. The consultant recommends that the City seek no further amenities from this project beyond those which are currently proposed.

Housing

The application, if approved, would add approximately 451 new residential dwelling units, of which approximately 133 dwelling units would be below-market rental housing and approximately 171 dwelling units would be purpose-built rental. Adding these new dwelling units would increase the overall supply of market and non-market housing in the area and contribute to the targets set out in the *Victoria Housing Strategy*.

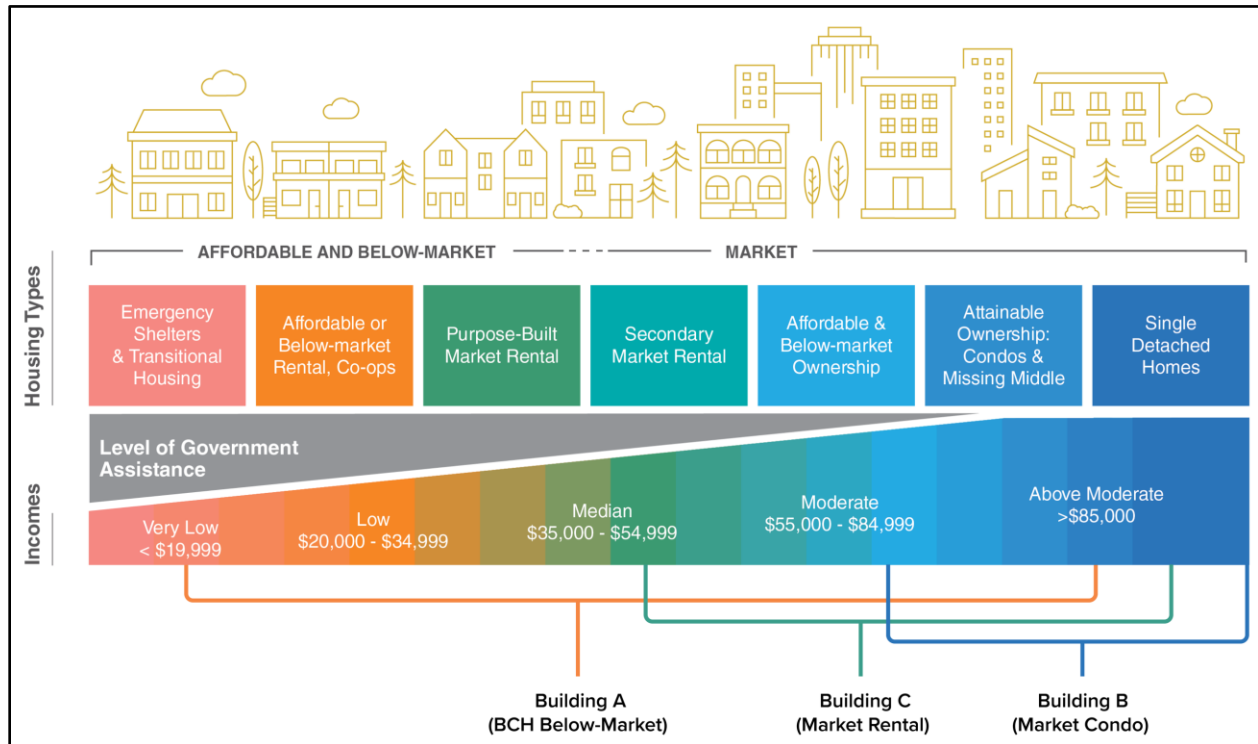


Figure 1. Housing Continuum

Affordability Targets

The application indicates that Building A (below-market rental) would fall under very low to above moderate income range; Building B (market condo) would fall under moderate to above moderate income range; and Building C (market rental) would fall under median to above moderate income range on the City's housing continuum as shown in Figure 1.

With respect to Building A, BC Housing is proposing to deliver a mixed-income model under BC Housing's Community Housing Fund in which:

- 20% of the units are deeply subsidized serving very low-income households (<\$26,400), and would be secured at income assistance rates, as determined by the Ministry of Social Development and Poverty Reduction
- 50% of the units are Rent Geared to Income (RGI) and would be secured at BC Housing's Housing Income Limits. These units will rent at 30% of tenants' specific household incomes and will serve low to moderate incomes (\$26,400 to \$84,500) and are considered affordable and below-market depending on unit size
- 30% of the units will serve moderate and above moderate-income households (\$74,150 to \$113,040).

The household income targets are considered affordable under BC Housing’s program. It is recommended for Council’s consideration that the applicant’s commitments to provide non-market rental units at below-market or affordable income levels for at least 60 years, or life of the building, whichever is greater, in accordance with BC Housing’s Community Housing Fund program requirements are secured in a legal agreement.

Housing Mix

At present there is no policy that provides targets regarding housing mix and unit type is not regulated or secured. However, the OCP identifies a mix of units as an objective and identifies the need for a diverse range of housing units including family housing (two bedrooms or more). As submitted, this application proposes the following housing mix:

Unit Type	Building A – below-market housing	Building B – strata condo	Building C – purpose-built rental
Studios	54	0	19
One-bedroom	34	88	92
Two-bedroom	30	45	52
Three-bedroom	15	14	8
Total	133	147	171

The applicant has agreed to secure 127 two-bedroom and 37 three-bedroom dwelling units in a Housing Agreement to ensure that the development provides larger size units suitable for households with children in accordance with the policies in the Housing Strategy, OCP and *Burnside Gorge Neighbourhood Plan*.

Security of Tenure

A Housing Agreement is being proposed which would ensure that future Strata Bylaws could not prohibit the rental of units. In addition, the applicant is willing to enter a housing agreement to ensure the purpose-built rental building (Building C) remains rental in perpetuity and that Building A will remain affordable or below-market rental for at least 60 years, or the life of the building, whichever is greater.

Existing Tenants

The proposal is to demolish the existing motel, which would result in a loss of approximately 85 existing transitional housing units. Subject to Council approval, BC Housing intends to construct the proposed supportive housing building at 722 and 726 Discovery Street first and relocate existing residents to the new building before the existing building on the subject site is demolished. Some individuals may also be relocated to other supportive housing buildings currently under construction in Victoria. In a letter dated July 22, 2022 (attached), BC Housing states that they are committed to providing all individuals currently residing at 1961 Douglas Street with suitable housing over the long-term. A formal Tenant Assistance Plan (TAP) has not been provided by BC Housing given the unique temporary housing situation. Even though some aspects of the TAP will not apply, there is an alternate motion should Council wish to request a full TAP with this application.

Development Permit with Variance Application

Official Community Plan: Design Guidelines

The OCP identifies the subject properties within Development Permit Area (DPA) 7A: Corridors. This DPA is subject to the new DCAP design guidelines that were recently adopted by Council in March 2022, as discussed further below.

DPA 7A envisions the revitalization of the commercial uses along Douglas Street with high quality architecture, landscape and urban design to enhance its appearance, achieve coherent design, strengthen commercial viability and encourage pedestrian use. This DPA identifies Douglas Street as a significant transportation corridor with rapid transit, to be designed as a “complete street” that serves all transportation modes (pedestrians, cyclists, public transit passengers and vehicles, commercial vehicles and automobiles). This proposal further advances the objectives of this DPA by revitalizing this prominent corner site on the edge of the Central Business District with high-quality architecture, public realm and placemaking features.

DCAP Design Guidelines

The new design guidelines recommend a site area of 1400m² for corner sites to accommodate a mid to high-rise building (one tower) in order to meet appropriate tower setbacks, maintain access to sunlight and sky views from public open spaces, and minimize impacts on neighbouring lots. The combined site area is 6,722.2m² for the three towers. For high-rise buildings, the new guidelines encourage a 10m setback from the side and rear property lines and where a parcel contains more than one residential tower, a minimum 20m separation distance between the closest points of the residential towers is recommended. In addition, the design guidelines recommend locating tall buildings in a manner that generally achieves a staggered formation within a block and in response to adjacent tall buildings on neighbouring blocks to achieve desired building separation, sunlight access and sky-view as well as to mitigate wind. The proposal complies with the design guidelines pertaining to the siting of the three towers.

The new design guidelines encourage a minimum 3m setback of the tower from all property lines fronting public streets. The proposal is either meeting or exceeding this tower setback from the public streets.

The design guidelines recommend that the tower floor plates do not exceed a maximum size of 650m². The tower floor plate sizes for Building A are 582.97m², Building B is 666.58m² and Building C is 658.61m². Building B and C have tower floor plate sizes that are slightly above the maximum recommended in the guidelines. The design guidelines also recommend a maximum floor plate width of 24m and a north to south orientation. The floor plate widths of Building A are 21.64m with a north-south orientation, Building B is 58.65m with an east-west orientation, and Building C is 25.91m also with an east-west orientation. The applicant has introduced breaks in the massing to reduce the visual impact of longer floor plate widths and stepped back the upper storeys to reduce the perceived bulkiness of the towers.

For tall buildings (greater than 23m in height), the design guidelines state that the base building should not exceed an overall height of 18m (approximately 5 storeys) and the design of the building base integrates materials, finishes and patterns to provide a cohesive and complementary design with the upper storey tower. The application proposes a podium height of approximately 18m and incorporates an architecturally differentiated building base and a change of materials, in accordance with the design guidelines.

The design guidelines recommend a minimum floor height of 4.5m for ground floor commercial space to allow for access to natural light, spaciousness and greater flexibility for future changes of use. The applicant is proposing floor heights of 4.1m for the retail units fronting Douglas Street, partially due to the grades along the street, but also the applicant feels that this floor-to-ceiling height is appropriate from a functionality perspective.

The design guidelines encourage a range of shared outdoor amenity spaces that are available for all building residents and encourage social interaction, play and urban food production. Incorporating outdoor common spaces into upper storey terraces and rooftops are strongly encouraged. The proposal includes attractive and useable outdoor amenity spaces for each building with a variety of amenities. Building A includes outdoor tables and chairs, trees, and substantial soft landscaping. Buildings B and C include play equipment, raised garden planters, outdoor BBQ area, outdoor seating, tables, trees and substantial soft landscaping.

Integrating useable and comfortable balconies and other private outdoor spaces with a minimum depth of 2m and width of 2.7m is also recommended in the design guidelines. The design guidelines state that balconies should contribute to a cohesive tower composition and expression while supporting building energy performance and minimizing increases to perceived bulk and mass of buildings. Originally, the proposal did not include balconies on Building A due to costs; however, the applicant has since added balconies and private patios on the west and south elevations to ensure some of the units have private outdoor space. The balconies do not meet the minimum depth and widths outlined in the design guidelines; however, they are large enough for a small table and chairs. All the units in Buildings B and C have private patios or balconies. The balcony sizes vary for each building; however, the majority of the balcony sizes comply with the design guidelines.

The design guidelines recommend the use of high-quality, durable materials to maintain the condition of facades, a variety of textures and details in the exterior cladding materials and the use of durable natural materials for building features and accents to achieve visual interest. The proposed exterior materials include light and dark brick, metal panels, composite wood panels, grey glass, architectural concrete, and glulam and steel canopies. The podium is clad in brick and the towers are clad in power-coated angled metal panels that alternate directions (every third floor the angled panel changes direction). The canopies above the retail units are frosted glass. The proposed exterior finishes comply with the design guidelines.

Locating parking underground is strongly encouraged in the DCAP; however, there is a guideline stating that an underground parking structure does not compromise the long-term viability of street trees. The application proposes two levels of underground parking with the parking structure situated at the property boundaries. The proposed trees in the plaza area would be planted above the underground parkade structure likely to impact the long-term viability these new trees. It is inevitable that some of the trees will have to be planted above the parkade in order to achieve a tree canopy envisioned for the plaza area in the DCAP as discussed below, however, it is recommended that the three new trees planted along the edges on the plaza and adjacent to the sidewalks on Douglas Street and Caledonia Avenue are not planted above the parkade in order to protect the long-term viability of these trees and their contribution to the public realm.

While DCAP identifies a new through-block walkway through the subject site, it is recommended that a walkway is not pursued with this application for the following reasons:

- the site design and ability to provide a larger commercial floor plate (approximately 2787m² floor plate size) for a grocery store would be impacted
- the ability to provide three towers over a commercial podium and deliver much-needed

below-market rental and purpose-built market rental housing would be difficult to achieve on the site

- the service driveway and loading area to accommodate the large delivery trucks for the grocery store would be compromised
- the addition of a through-block walkway would impact the size of public plaza area and ability to provide all the key amenities that are envisioned for this space in the DCAP
- a through-block walkway would direct pedestrians away from the proposed public plaza and the heart of the proposed Arts and Innovation District.

Plaza

The Plan envisions a large urban plaza on the site that is generally 800m² to 1200m² in size to provide formal open space within the north end of Downtown along Douglas Street at this location. The Plan states that new plazas are to be located along prominent or active streets, in close proximity to major transit stations, in order to contribute to street vitality and improve their visibility. Locating plazas on corner locations with a south to south/west exposure to maximize access to sunlight is ideal according to the policies. Ensuring plazas are directly adjacent to and provide direct access to the pedestrian and cycling networks is also encouraged in the Plan. Other important plaza design criteria summarized in DCAP include:

- *incorporate weather protection elements such as canopies and awnings on building faces that are located directly adjacent to a plaza*
- *ensure that seating, play areas and other public amenities are located and designed to provide protection from the elements including wind and rain*
- *encourage the use of high-quality finishing materials with detailed architectural quality*
- *ensure that a new plaza is individually designed to reflect and complement the surrounding context and to provide a distinctive identity and character*
- *ensure that the overall design, layout and materials result in attractive, identifiable and welcoming spaces*
- *where a plaza integrates terraced or stepped areas, locate these along the perimeter to provide views across the plaza*
- *ensure the plaza is designed to allow access and use by people with varying mobility needs*
- *meet CPTED design principals with respect to sightlines, lighting, activation, landscaping and wayfinding*
- *consider the use and design of unique public amenities to enhance and define the character of a plaza such as water features, public art, architecturally designed play equipment, wayfinding signage, public memorials, ornamental landscaping and lighting features*
- *provide adequate soil volume and/or soil cells to support health tree planting and growth*
- *ensure a plaza is designed to accommodate a range of both passive and active uses and functions that are appropriate for the location, type and scale of space.*

The applicant is proposing an approximately 802m² public plaza on the southwest corner of the site flanked by Douglas and Caledonia streets, which is situated in a highly visible area with access to sunlight and connected to the pedestrian and cycling network. The applicant and staff worked together on the design of the plaza, which includes terraced seating, tables and chairs, a children's slide, water feature, lighting, trees and substantial soft landscaping. Overall, it is considered that the applicant has designed an attractive and useable plaza area for the neighbourhood. However, it is recommended that the applicant incorporate a seating nook on the edge of the plaza area adjacent to the transit shelter on Douglas Street to ensure there is

sufficient seating for transit patrons and that they extend concrete unit pavers into the plaza as a surface material treatment for the lower plaza area.

Notwithstanding the above, there are continued concerns that the tree soil volumes and siting requirements outlined in the *Tree Protection Bylaw* have not been satisfied. It is recommended for Council's consideration that the application meets the tree soil volumes and siting requirements to ensure healthy mature trees are a key design feature of the plaza, which is further discussed below.

Variances

Vehicle Parking

The applicant is proposing the following parking variances:

- reducing the required number of residential parking spaces from 297 to 226
- reducing the required number of visitor parking spaces from 45 to 30.

As noted above, the applicant engaged Bunt & Associates to prepare a Transportation Impact Assessment for the proposal (see Attachment F). The proposal has a parking shortfall of 47 parking spaces. The applicant is proposing the following Transportation Demand Management (TDM) measures, which are considered supportable:

- two fully electric car share vehicles to be located on site in dedicated parking spaces, each equipped with Level 2 electric vehicle charging stations
- a car share membership for each dwelling unit
- a minimum of 10% of the required bicycle parking being suitable for cargo bicycles or bicycles used by persons with disabilities
- a minimum 55m² bicycle repair area and associated repair equipment
- end-of-trip facilities including lockers, showers, and wash stations.

The study also recommended five EcoPasses be made available to employees. Given the anticipated number of employees that would be working on site, the provision of only five eco-passes would have a minimum impact on reducing parking demand on site. In place of the consultants recommended EcoPasses, the applicant would either expand the size of the proposed end-of-trip facility or add another facility to support TDM. The provision of this expanded end-of-trip facility or additional facility to support TDM would be secured in a legal agreement.

The subject site is well served by public transit. There are 14 transit routes accessible within 800m or an approximately 15 minute walk, including one transit stop located on Douglas Street, within 100m of the site. The applicant would also be installing a new transit shelter in front of the development on Douglas Street. In addition to public transit, the subject site is well connected to both walking and cycling networks. Furthermore, the proposal would introduce a large grocery store and retail space to serve the neighbourhood, in addition to the existing shops and services that are in close proximity to the site. Given the proposed TDM measures and the site's ideal location from a sustainable transportation perspective, the proposed parking variances are supportable.

Height Variance

The proposed tower heights are recommended to be treated as variances given the policy

direction in both the OCP and DCAP that state buildings up to 15 storeys (approximately 45m) and 20 storeys (approximately 60m), respectively, are supported on the subject properties. The proposed height variances would be as follows:

- increase the maximum building height of Building A from 45m to 55m
- increase the maximum building height of Building B from 45m to 72m
- increase the maximum building height of Building C from 45m to 65m.

Given that the tower heights fit with the neighbourhood context (tower heights range between 16 and 25 storeys south of the subject site), and the buildings comply with the tower separation guidelines, closely meet the maximum floor plate size for tall buildings in DCAP and are staggered on the site to maximize sunlight penetration and sky views, the proposed height variances are supportable.

Accessibility

The British Columbia Building Code regulates accessibility as it pertains to buildings. The applicant is proposing 30 accessible dwelling units in Building A, which would be designed in accordance with CAN/CSA-B651-95, the National Standard of Canada, for barrier-free design. These standards either meet or exceed the accessibility requirements of both BC Housing and the British Columbia Building Code. The accessible units would be wheelchair accessible, and a safe useable environment for persons with physical, sensory or cognitive disabilities. The proposed outdoor areas and pathways surrounding the buildings are also designed to be accessible.

In addition, accessible parking would be provided on site. The application proposes six accessible parking spaces, which complies with the new accessible parking regulations recently adopted by Council.

Sustainability

As indicated in the applicant's letter dated July 13, 2022, the following sustainability features are associated with this proposal:

- Building A will meet BC Energy Step Code 3
- Building B will meet BC Energy Step Code 2
- Building C will target LEED Silver equivalency and/or certification
- low-carbon energy systems combined with high performing building envelope
- green roofs on the podium
- alternatives to car ownership such as ample bicycle parking and end-of-trip facilities.

Advisory Design Panel

The application was reviewed by the Advisory Design Panel (ADP) on May 26, 2022. At that meeting, the following motion was passed:

That the Advisory Design Panel recommend to Council that the Development Permit with Variances Application No. 00205 for 710 Caledonia Street and 1961 Douglas Street be approved with the following recommendations:

- *Further consideration to the landscape treatment of the Blanshard facing elevation*

- *Further consideration to the articulation of the Discovery side. To improve the animation along Discovery Street*
- *Address the daycare interface with Douglas Street, particularly with screening and sound*
- *Further consideration to the allotment of space between the upper and lower corner plaza. Particularly to allow tree planting along Douglas Street*
- *Applicant to continue working with staff on the Caledonia greenway on consideration to adding landscape at street level in front of building B.*

In response, the applicant has made the following design revisions to the proposal:

- elevations have been updated to reflect the landscape treatment on the east elevation facing Blanshard Street
- refined the materiality on the Discovery Street elevation to enhance its visual interest
- increased the height of the glazing screen for the daycare and moved the outdoor play area to face the plaza to mitigate noise impacts from Douglas Street
- redesigned the plaza area and added seating, lighting, more trees and planters in the upper plaza area
- set back the retail façade by 3m along the Caledonia Avenue frontage to relieve the compactness along the Shared Greenway.

The revisions to the proposal are more aligned with the applicable design guidelines that focus on building composition and landscape and plaza design.

Tree Preservation Bylaw and Urban Forest Master Plan

The goals of the Urban Forest Master Plan include protecting, enhancing, and expanding Victoria's urban forest and optimizing community benefits from the urban forest in all neighborhoods. This application was received after July 1, 2021 therefore, *Tree Protection Bylaw No. 21-035* applies.

The Arborist Report identifies 29 trees including 12 municipal trees and eight bylaw-protected trees on the subject property. The largest bylaw-protected trees are a 51 cm Diameter at Breast Height (DBH) deodar cedar and a multi-stemmed (58 cm & 44 cm DBH stems), deodar cedar which are both proposed for removal. There are nine trees that are not bylaw protected due to being undersized.

Based on the application, all municipal trees require removal, the largest being a 37cm DBH paper birch, due to either being in close proximity to the building footprint, and/or construction impacts to the protected root zone and tree canopy.

The current proposal requires all on-site trees (eight bylaw protected, and nine undersized) to be removed and replaced. The tree replacement requirement requires confirmation based on the updates to the Arborist Report and Tree Protection Plan, but at minimum is eight trees. In addition, the *Tree Protection Bylaw* tree minimum requires an additional 26 trees to be planted on site, with the required soil volumes and siting, as per the *Tree Protection Bylaw*. The proposal includes 69 trees planted on the site. Further revisions to the Arborist Report are required to determine whether the *Tree Protection Bylaw* tree minimum will be met with this proposal.

This property falls within the Rock Bay District of the DCAP Guidelines. The guidelines provide policy direction with open space and landscaping including to consider tree species in landscape

areas that contribute to the City’s urban forest objectives. Goals of the City’s Urban Forest Master Plan (UFMP) include protecting, enhancing and expanding Victoria’s urban forest and maximising community benefits from the urban forest in all neighbourhoods. Trees that are planted on, or in close proximity to, structures such as on roofs or over underground parkades, significantly limits long-term viability of trees due to the required removal at the time of structure maintenance and repair. The UFMP recommends that the built environment and urban forest support and enhance one another.

The Burnside Gorge area has traditionally low canopy cover for the size of the neighborhood at 14.6%. The Urban Forest Master Plan recommends developing canopy cover targets for the City and recommends alignment with other municipalities in the Pacific Northwest overall canopy cover goal of 40%, varied depending on neighbourhood type (urban residential 25%, street ROWs 25% and Central Business Districts at 15%). Large to medium canopy trees and required soil volumes are encouraged for both the replacement municipal trees as well as the on-site trees, and a pulled-back underground parkade is encouraged so the replacement municipal trees, as well as the trees in the plaza space, are viable long-term and won’t require removal with underground parking membrane repairs or replacement.

The frontage design feasibility requires further exploration. The proposed trees and soil cells currently conflict with existing servicing and an 85 cm boulevard with plantings is not supported. The applicant will need to ensure the frontage details, including feasibility of trees, is achievable prior to public hearing. The number of new boulevard trees to replace the removed municipal trees is unknown at this time.

Tree impact Summary Table

Tree Status	Total # of Trees	To be REMOVED	To be PLANTED	NET CHANGE
On-site trees, bylaw protected	8	8	8	0
On-site trees, not bylaw protected	9	9	61	+52
Municipal trees	12	12	TBC	N/A
Neighbouring trees, bylaw protected	0	0	0	0
Neighbouring trees, not bylaw protected	0	0	0	0
Total	29	29	69	+52

Financial impacts related to maintaining the newly proposed municipal trees are unknown at this time.

Encroachment Agreement

A number of street-level canopies are also proposed along Douglas Street, Discovery Street and Caledonia Avenue, which project above the City Right-of-Way. These are encouraged in the applicable design guidelines to provide pedestrian weather protection and welcoming streetscapes. In order to facilitate these canopies, the applicant is required to enter into an Encroachment Agreement with the City. Appropriate wording is included in the recommendation for Council’s consideration.

CONCLUSIONS

The proposal to increase the density and allow for a mixed-use development consisting of three residential towers ranging in heights from 16 to 21 storeys above a commercial podium further advances key policies and objective in the OCP related to housing, community well-being, transportation, employment, and food security, which justify the additional height and density being proposed in the application. Furthermore, the application will provide approximately 451 dwelling units of market and below-market housing, larger size (two- and three-bedrooms) and accessible dwelling units, a childcare facility for up to 37 children, an approximately 802m² south-facing neighbourhood plaza, and a large grocery store. The applicant would also be constructing some significant public realm improvements, including a new signal intersection at Douglas Street and Discovery Street.

The proposed parking variance is supportable given the proposed TDM package and the site's close proximity to public transit, pedestrian and cycling networks, and shops and services. The proposed height variances are also supportable given the design interventions to reduce the perceived impacts of additional height at this location.

There are continued concerns that the tree soil volumes and siting requirements outlined in the *Tree Protection Bylaw* have not been satisfied, and the current proposal does not meet the some of the important goals of the Urban Forest Master Plan or the OCP. It is recommended for Council's consideration that the application meets the tree soil volumes and siting requirements to ensure healthy mature trees are a key design feature of the plaza area, and street frontages as a condition of rezoning.

It is recommended for Council's consideration that the applications proceed to a Public Hearing and Opportunity for Public Comment.

ALTERNATE MOTIONS

Option 1 (Advance the applications "as is" with no revisions to tree soil volumes, sizing and siting requirements and no addition or expansion of end-of-trip facilities)

Rezoning Application

1. That subject to receipt of a letter from the Ministry of Environment confirming that the landowner has met the requirements of Section 557(2) of the *Local Government Act* with respect to contaminated sites, that Council instruct staff to prepare the necessary Official Community Plan (OCP) Amendment Bylaw in accordance with Section 475 of the *Local Government Act* and the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 000815 for 710 Caledonia Avenue and 1961 Douglas Street, that first and second reading of the Zoning Regulation Bylaw Amendment and OCP Amendment Bylaw be considered by Council.
2. That Council provide an opportunity for consultation pursuant to section 475 of the *Local Government Act*, and direct the Director of Sustainable Planning and Community Development to:
 - i. mail a notice of the proposed OCP Amendment to the persons within a 200m radius of the subject property; and

- ii. post a notice on the City's website inviting affected persons, organizations and authorities to ask questions of staff and provide written or verbal comments to Council for their consideration.
3. That Council consider that no consultation is necessary with the Capital Regional District Board; Councils of Oak Bay, Esquimalt and Saanich; the Songhees and Esquimalt First Nations; the School District Board; or the provincial or federal governments or their agencies because the proposed OCP amendment does not affect them.
 4. The applicant prepare and execute legal agreements to secure the following with the form and contents to the satisfaction of the Director of Sustainable Planning and Community Development, Director of Engineering and Public Works, and the City Solicitor prior to final adoption of the bylaws:
 - a. all dwelling units in Building A would remain affordable or below-market rental for 60 years, or the life of the building, whichever is greater
 - b. all dwelling units in Building A are to be owned by a non-profit or government agency for 60 years, or the life of the building, whichever is greater, to guarantee that the development will continue to provide non-market housing
 - c. all dwelling units in Building C are to be rental in perpetuity
 - d. future strata corporations cannot pass bylaws that would prohibit or restrict the rental of units to non-owners
 - e. a minimum of 30 accessible dwelling units in Building A to be constructed in accordance with CAN/CSA-B651-95, the National Standard of Canada for barrier-free design
 - f. provide civil design drawings and construct a mid-block crosswalk on Discovery Street which could include bulb outs, lighting, enhanced street furnishings and landscaping, and coordinate with the mid-block crosswalk requirements associated with the adjacent development proposal on the properties located 722 and 726 Discovery Street
 - g. provide civil design drawings and construct a full signal at the intersection of Douglas Street and Discovery Street in accordance with the recommendation in the Traffic Impact Assessment prepared by Bunt & Associates dated March 30, 2022
 - h. provide civil design drawings and construct a centre median at the proposed western Caledonia Avenue driveway crossing and a grade-raised bicycle lane on the north side of Caledonia Avenue
 - i. restrict movements on the proposed eastern driveway crossing on Caledonia Avenue to access (northbound) vehicles only
 - j. the design and relocation of the mid-block crosswalk and associated works on Caledonia Avenue
 - k. the design and construction of a new BC Transit bus stop on Douglas Street to the satisfaction of the Director of Engineering and Public Work and BC Transit.
 - l. the design, supply and installation of the City's *Downtown Public Realm Plan and Streetscape Standards* (DPRP), specifically, the 'Douglas Street' District (for the Douglas Street frontage) and 'New Town' District (for the Caledonia Avenue and Discovery Street frontages), and shall include but not limited to:

- i. corner treatments at Douglas Street/Caledonia Avenue and Douglas Street/Discovery Street intersections
 - ii. benches, trash bins and bike racks
 - iii. specify medium to large canopy street trees
 - m. provide the following Transportation Demand Management measures:
 - i. two fully electric car share vehicles to be located on site in dedicated parking spaces, each equipped with Level 2 electric vehicle charging stations
 - ii. a car share membership for each dwelling unit
 - iii. a minimum of 10% of the required bicycle parking being suitable for cargo bicycles or bicycles used by persons with disabilities
 - iv. a minimum 55m² bicycle repair area and associated repair equipment
 - v. end-of-trip facilities including lockers, showers, and wash stations
 - n. secure the commitment to attenuate sewer
 - o. undergrounding the BC Hydro lines and associated infrastructure along Douglas Street, Discovery Street and Caledonia Avenue frontages and that the applicant cover the City's portion of the cost under BC Hydro's Beautification Program, minimizing impacts to existing tree and new municipal tree planting locations
 - p. provide a computerized lighting calculation, completed by a professional electrical consultant registered with the Association of Professional Engineers and Geoscientists of BC (and a person with experience using the software) in accordance with IESNA RP-8-00 roadway lighting standards, to indicate required street lighting for the Douglas Street frontage and the intersections at Discovery Street and at Caledonia Avenue
 - q. secure stormwater treatment via soil cells for road run off along Douglas Street, Discovery Street and Caledonia Avenue frontages
 - r. secure an air space parcel subdivision plan, in compliance with the Highway Access Bylaw (91-38) and ensure that the site is not occupied until the air space parcel subdivision is registered on title.
5. That Council authorize the projecting encroachments over the City Right-of-Way on 710 Caledonia Avenue and 1961 Douglas Street generally as shown on the plans submitted to the City and date stamped July 26, 2022, provided that the applicant enters into an encroachment agreement with form and contents satisfactory to the Director of Engineering and Public Works and the City Solicitor.
6. The applicant provides the following items prior to Public Hearing:
- a. a revised site plan and landscape plan that complies with the City's *Downtown Public Realm Plan and Streetscape Standards* (DPRP), specifically, the 'Douglas Street' District (for the Douglas Street frontage) and 'New Town' District (for the Caledonia Avenue and Discovery Street frontages), to the satisfaction of the Director of Engineering and Public Works and Director of Parks, Recreation and Facilities
 - b. an air space parcel subdivision plan in compliance with the Highway Access Bylaw (91-38) to the satisfaction of the City Solicitor
 - c. inclusion of a seating nook on the edge of the plaza area adjacent to the transit shelter on Douglas Street to ensure there is sufficient seating for transit patrons and extend concrete unit pavers into the plaza as a surface material treatment for the lower plaza area, and revise the site plan and landscape plan accordingly to the satisfaction of the

Director of Sustainable Planning and Community Development and Director of Engineering and Public Works

- d. update the Landscape Plans, Arborist Report, and Tree Management Plan to the satisfaction of the Director of Parks, Recreation and Facilities.

Development Permit with Variance Application

1. That subject to the applicant revising the site plan and landscape plan to comply with the *Tree Protection Bylaw* and the City's *Downtown Public Realm Plan*, that Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, and after the Public Hearing for Rezoning Application No. 00815, if it is approved, consider the following motion:
 1. That Council authorize the issuance of Development Permit with Variances Application No. 00205 for 710 Caledonia Avenue and 1961 Douglas Street, in accordance with:
 - i. Plans date stamped July 26, 2022
 - ii. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variances:
 - increase the maximum building height of Building A from 45m to 55m
 - increase the maximum building height of Building B from 45m to 72m
 - increase the maximum building height of Building C from 45m to 65m
 - reduce the required number of residential parking spaces from 297 to 226
 - reduce the required number of visitor parking spaces from 45 to 30
 2. That the Development Permit, if issued, lapses in two years from the date of this resolution.

Option 2 (Decline)

That Council decline Rezoning Application No. 00815 and Development Permit with Variances Application No. 00205 for the properties located at 710 Caledonia Avenue and 1961 Douglas Street.

Respectfully submitted,

Leanne Taylor
Senior Planner
Development Services Division

Karen Hoese, Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager.

List of Attachments

- Attachment A: Subject Map
- Attachment B: Plans date stamped July 26, 2022
- Attachment C: Architectural Booklet dated March 2022
- Attachment D: Letter from applicant to Mayor and Council dated June 13, 2022
- Attachment E: Tenant Assistance Letter dated July 22, 2022
- Attachment F: Traffic Impact Assessment dated March 30, 2022 and prepared by Bunt & Associates

- Attachment G: Economic Analysis dated March 8, 2022 and prepared by Mulholland Parker Land Economists Ltd
- Attachment H: CPTED Review Analysis dated June 9, 2022
- Attachment I: Arborist report prepared by Bartlett Tree Services dated July 11, 2022
- Attachment J: Letter from MODO car share dated July 11, 2022
- Attachment K: Advisory Design Panel report dated May 26, 2022
- Attachment L: Advisory Design Panel minutes dated May 25, 2022
- Attachment M: Community Association Land Use Committee Comments dated February 11, 2022
- Attachment N: Pre-Application Consultation Comments from Online Feedback Form